FORM MR-TRS (Revised 3/99)

This Section For DOGM Use:

New DOGM File No.: 5/023/018

Date Received: 6-28-99

Date Effective 6-30-99

UTAH STATE DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas and Mining

1594 West North Temple Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291

Fax: (801) 359-3940

* * * * * * * * * * * * * * * UTAH MINED LAND RECLAMATION ACT

Chapter 8, Title 40 Utah code Annotated Amended 1987

TRANSFER OF NOTICE OF INTENTION Small Mining Operations * * * * * * * *



| SMALL MININ | NG OPERATIO | <u>ON</u> | | DIV. OF OIL, GAS & MINIT | NG |
|-------------------|-------------------|--------------------|-----------------|--------------------------|----|
| Name of Claim | /Mine: | Beryl 1 | | | |
| File Number as | Assigned by I | OGM (Original No | tice): _ 5 / 02 | 31018 | |
| Legal Description | on (Location o | f Lands Affected): | | | |
| NWSWSW | 11 | 125 | 1ZW | Jualo | |
| 1/4 1/4 1/4 | Section | Township | Range | County | |
| all alle | | | | | |
| 1/4 1/4 1/4 | Section | Township | Range | County | |
| CURRENT OF | PERATOR (T | ransferor) | | | |
| Name of Compa | any/Operator: | Sprunger's M | inerals/Mic | hael & Sandra Sprunge | - |
| Address: Bo | x 3805 | 34 | | | |
| City: <u>Le</u> | amingto | on | State: Utah | Zip Code: <u>846</u> 38 | |
| Telephone Num | ber: <u>(435)</u> | 857-257 | 2 | | |
| Signature: | Michael! | mmy | | | |
| Name (Type or l | Print) Mich | had Sprun | ser | | |
| Title/Position: | Dumer - | | 1 1 | ate: June 14, 1999 | |

I hereby transfer the notice of intention and the reclamation obligation for the aforementioned small mining operation to:

| NEW OPERATOR (Transferee) |
|--|
| Name of Company/Operator: Gemstone Mining Inc |
| Address: PO BOX 3413 |
| City: <u>Ceday City</u> State: <u>UT</u> Zip Code: <u>84771</u> |
| Telephone Number: 435-559-7751 |
| I hereby commit to conduct mining operations and to reclaim the aforementioned small |
| mining operation as required by the Utah Mined Land Reclamation Act (40-8) and rules |
| specified by the Board of Oil, Gas and Mining. |
| Signature (New Operator) |
| Scott H Wilkinson Name (Type or Print) |
| Vice President Finance & Administration Title/Position |
| Subscribed and sworn before me this May of Mule, 1999. |
| NOTARY PUBLIC Mary H. Foremaster 20 N. Bluff St. St. Gleorge, Unth 84770 My Commission Expires November 6, 2000 STATE OF UTAH My Commission Expires: |
| Nov. le , 1999. |
| State of Utoh) |
| County of |

DIVISION APPROVAL CERTIFICATION

This is to certify that I have examined this application for transfer of the aforementioned small mining operation and do hereby grant approval of the same, subject to the following limitations:

- (a) This transfer of notice of intention grants only the right to affect the lands as legally described in this application.
- (b) The transferee, or such other person as required by UCA 1953, Title 40-8, as amended, has acquired the legal right to enter and mine the lands described in this application.

COMMENTS:

This project is located in a partially surveyed township. There are no formal section lines; therefore, this transfer encompasses all disturbances associated with the Red Beryl, including roads, dumps and pits.

APPROVED BY:

Lowell P. Braxton, Director
Division of Oil, Gas and Mining

Effective Date: 6-30-99

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